



## TEXAS DEPARTMENT OF INSURANCE

### Division of Workers' Compensation - Medical Fee Dispute Resolution (MS-48)

7551 Metro Center Drive, Suite 100, Austin, Texas 78744-1645

(512) 804-4000 | F: (512) 804-4811 | (800) 252-7031 | TDI.texas.gov | @TexasTDI

## MEDICAL FEE DISPUTE RESOLUTION FINDINGS AND DECISION

### GENERAL INFORMATION

**Requestor Name**

Doctor's Hospital at Renaissance

**Respondent Name**

Ace American Insurance Co

**MFDR Tracking Number**

M4-16-0648-01

**Carrier's Austin Representative**

Box Number 15

**MFDR Date Received**

November 10, 2015

### REQUESTOR'S POSITION SUMMARY

**Requestor's Position Summary:** "According to TWCC guidelines, Rule §134.403 states that the reimbursement calculation used for establishing the MAR shall be by applying the Medicare facility specific amount."

**Amount in Dispute:** \$2,323.96

### RESPONDENT'S POSITION SUMMARY

**Respondent's Position Summary:** "upon receipt of the MDR, the bills were sent for reconsideration. It was determined that no additional money is owed to provider."

**Response Submitted by:** ACE ESIS

### SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
April 14 – 27, 2015	Outpatient Hospital Services	\$2,323.96	\$0.00

### FINDINGS AND DECISION

This medical fee dispute is decided pursuant to Texas Labor Code §413.031 and all applicable, adopted rules of the Texas Department of Insurance, Division of Workers' Compensation.

**Background**

1. 28 Texas Administrative Code §133.307 sets out the procedures for resolving medical fee disputes.
2. 28 Texas Administrative Code §134.403 sets out the acute care hospital fee guideline for outpatient services.
3. The insurance carrier reduced payment for the disputed services with the following claim adjustment codes:

#### July 20, 2015

- X206 – The service(s) is for a condition(s) which is not related to the covered work related injury

#### September 10, 2015

- 193 – Original payment decision is being maintained
- 236 – This procedure or procedure/modifier combination is not compensable with another procedure or procedure/modifier combination provided on the same day according to NCCI edits or work comp state regs/fee schedule requirements
- 45 – Charge exceeds fee schedule/maximum allowable or contracted/legislated fee arrangement
- 97 – The benefit for this service is included in the payment/allowance for another service/procedure that has already been adjudicated
- P12 – Workers compensation jurisdictional fee schedule adjustment
- 16 – This appeal is denied as we find the original review reflected the appropriate allowance for the service rendered

#### November 3, 2015

- 148 – This procedure on this date was previously reviewed
- 18 – Duplicate claim/service
- 193 – Original payment decision is being maintained
- CIQ378 – This appeal is denied as we find the original review reflected the appropriate allowance for the service rendered. We find that no additional recommendation is warranted at this time.

#### **Issues**

1. Was the original denial maintained by the carrier?
2. What is the applicable rule for determining reimbursement for the disputed services?
3. What is the recommended payment amount for the services in dispute?
4. Is the requestor entitled to additional reimbursement?

#### **Findings**

1. The insurance carrier denied disputed services with claim adjustment reason code X206 – “The service(s) is for a condition(s) which is not related to the covered work related injury.” This denial was not maintained as subsequent explanation of benefits did not contain this denial. The services in dispute will be reviewed per applicable rules and fee guidelines.
2. This dispute relates to outpatient hospital facility services with reimbursement subject to the provisions of 28 Texas Administrative Code §134.403, (f) which states,  
The reimbursement calculation used for establishing the MAR shall be the Medicare facility specific amount, including outlier payment amounts, determined by applying the most recently adopted and effective Medicare Outpatient Prospective Payment System (OPPS) reimbursement formula and factors as published annually in the Federal Register. The following minimal modifications shall be applied.  
(1) The sum of the Medicare facility specific reimbursement amount and any applicable outlier payment amount shall be multiplied by:  
(A) 200 percent;
3. Under the Medicare Outpatient Prospective Payment System (OPPS), each billed service is assigned an Ambulatory Payment Classification (APC) based on the procedure code used, the supporting documentation and the other services that appear on the bill. A payment rate is established for each APC. Depending on the services provided, hospitals may be paid for more than one APC per encounter. Payment for ancillary and supportive items and services, including services that are billed without procedure codes, is packaged into payment for the primary service. A full list of APCs is published

quarterly in the OPPS final rules which are publicly available through the Centers for Medicare and Medicaid Services (CMS) website. Reimbursement for the disputed services is calculated as follows:

- Procedure code 82962 has a status indicator of N, which denotes packaged items and services with no separate APC payment; payment is packaged into the reimbursement for other services, including outliers.
  - Procedure code 10140 has a status indicator of T, which denotes a significant procedure subject to multiple-procedure discounting. The highest paying status T procedure is paid at 100%; all others are paid at 50%. This procedure is paid at 100%. These services are classified under APC 0007, which, per OPPS Addendum A, has a payment rate of \$865.36. This amount multiplied by 60% yields an unadjusted labor-related amount of \$519.22. This amount multiplied by the annual wage index for this facility of 0.8197 yields an adjusted labor-related amount of \$425.60. The non-labor related portion is 40% of the APC rate or \$346.14. The sum of the labor and non-labor related amounts is \$771.74. The cost of these services does not exceed the annual fixed-dollar threshold of \$2,775. The outlier payment amount is \$0. The total Medicare facility specific reimbursement amount for this line is \$771.74. This amount multiplied by 200% yields a MAR of \$1,543.96.
  - Procedure code 99214 has a status indicator of B, which denotes codes that are not recognized by OPPS when submitted on an outpatient hospital bill. Reimbursement is not recommended.
  - Procedure code 99212, date of service April 15, 2015, has a status indicator of B, which denotes codes that are not recognized by OPPS when submitted on an outpatient hospital bill. Reimbursement is not recommended.
  - Procedure code 99213, date of service April 16, 2015, has a status indicator of B, which denotes codes that are not recognized by OPPS when submitted on an outpatient hospital bill. Reimbursement is not recommended.
  - Procedure code 99214, date of service April 17, 2015, has a status indicator of B, which denotes codes that are not recognized by OPPS when submitted on an outpatient hospital bill. Reimbursement is not recommended.
  - Procedure code 99213, date of service April 20, 2015, has a status indicator of B, which denotes codes that are not recognized by OPPS when submitted on an outpatient hospital bill. Reimbursement is not recommended.
  - Procedure code 99213, date of service April 22, 2015, has a status indicator of B, which denotes codes that are not recognized by OPPS when submitted on an outpatient hospital bill. Reimbursement is not recommended.
  - Procedure code 99213, date of service April 21, 2015, has a status indicator of B, which denotes codes that are not recognized by OPPS when submitted on an outpatient hospital bill. Reimbursement is not recommended.
  - Procedure code 99213, date of service April 23, 2015, has a status indicator of B, which denotes codes that are not recognized by OPPS when submitted on an outpatient hospital bill. Reimbursement is not recommended.
  - Procedure code 99213, date of service April 24, 2015, has a status indicator of B, which denotes codes that are not recognized by OPPS when submitted on an outpatient hospital bill. Reimbursement is not recommended.
  - Procedure code 99214, date of service April 27, 2015, has a status indicator of B, which denotes codes that are not recognized by OPPS when submitted on an outpatient hospital bill. Reimbursement is not recommended.
4. The total allowable reimbursement for the services in dispute is \$1,543.96. This amount less the amount previously paid by the insurance carrier of \$1,543.96 leaves an amount due to the requestor of \$0.00. No additional reimbursement can be recommended.

### **Conclusion**

For the reasons stated above, the Division finds that the requestor has not established that additional reimbursement is due. As a result, the amount ordered is \$0.00.

## **ORDER**

Based upon the documentation submitted by the parties and in accordance with the provisions of Texas Labor Code §413.031, the Division has determined that the requestor is entitled to \$0.00 reimbursement for the disputed services.

### **Authorized Signature**

_____	_____	December 3, 2015
Signature	Medical Fee Dispute Resolution Officer	Date

## **YOUR RIGHT TO APPEAL**

Either party to this medical fee dispute has a right to seek review of this decision in accordance with 28 Texas Administrative Code §133.307, effective May 31, 2012, 37 *Texas Register* 3833, applicable to disputes filed on or after June 1, 2012.

A party seeking review must submit a Request to Schedule a Benefit Review Conference to Appeal a Medical Fee Dispute Decision (form DWC045M) in accordance with the instructions on the form. The request must be received by the Division within twenty days of your receipt of this decision. The request may be faxed, mailed or personally delivered to the Division using the contact information listed on the form or to the field office handling the claim.

The party seeking review of the MFDR decision shall deliver a copy of the request to all other parties involved in the dispute at the same time the request is filed with the Division. Please include a copy of the *Medical Fee Dispute Resolution Findings and Decision* together with any other required information specified in 28 Texas Administrative Code §141.1(d).

Si prefiere hablar con una persona en español acerca de ésta correspondencia, favor de llamar a 512-804-4812.